3 August 1994

POINT FOUNDATION
27 Gate Five Road
Sausalito, CA 94966

Minutes of a meeting of the Board of Directors held at the offices of POINT FOUNDATION August 3, 1994

Present: Beau Takahara, Gaetano Maida, John Sumser

•Tano made a report of receiving notice of questions regarding the accounting of the sale of the WELL. Specifically it was suggested to him that a portion of the proceeds of that transaction were transferred to John Sumser without proper authorization and that the records carried the transfer incorrectly.
•Motion was made to require a full explanation from John to the Board within seven days; seconded and passed.
•Discussion with Tom Rose, an accountant, about preparing a compilation of financial information for POINT regarding 1993-4; request made for him to present a proposal within seven days to undertake the compilation on an urgent basis.
•Motion was made to convene a meeting of the Board on August 11 at the offices of POINT FOUNDATION to: receive John's explanation, the expected proposal from the accountant, and a presentation by John regarding important decisions on staffing, office space, cash flow, and production of Whole Earth Review Issue 84, in preparation for a staff meeting scheduled for August 12; seconded and passed.
•Meeting adjourned.

Minutes compiled by Gaetano Maida, *Director*.

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Minutes compiled by Gaetano Maida, *Director*

To: Peggy Lauer
Beau Takahara
Jerry George
Tano Maida

Date: August 9, 1994

Subject: Formal Apology to the Board

I want to take a moment to formally apologize for the events of the past six weeks. As you probably know, I have been effectively operating as the Editor, Publisher and the Executive Director for a very long time now. Essentially, I've devoted every waking hour of the last year to the revitalization of Point. As a result, I am completely burned out. Every incoming item is the straw that breaks the camel's back.

When Peggy called and asked for a financial review during the final week of the catalog deadline and would not take no for an answer, I completely lost it. I realized, finally, that no one had any idea of the stresses I was under. I behaved badly.

Burn out is not my excuse, just an explanation. In hindsight, I realize that I was trying to solve too many problems simultaneously. I made some particularly stupid judgment errors in the process of discovering that I was over committed. The biggest error I made was in my treatment of the board. I have been particularly bad about providing reasonable status and accountability.

The attached document is my attempt to both explain my actions and assess the root causes of the current crisis. I have made a great effort to keep blame out of my diagnosis and offer a summary of my actions regarding the Well sale as page 1.

We are close to formal books (finally) and I've attached them to this overall package.

To close, I'd like to reiterate my apology for both mistreating and misunderstanding the board.

Sincerely,

John Sumser

Summary Excerpts

I determined to dispose of the Well without the use of outside agents. My reasoning was that I could negotiate more effectively and would be less expensive than an outside agent. At my fee of 3.33% (for work beyond the base job), Point would make more money and I knew that I could get the highest price possible. Although I was specifically not hired to perform this function, negotiations of this sort are a part of the expertise I brought to Point. The initial offer was $200K and the deal settled at $750K. My fee was $25K. Point's net was $725K as opposed to a maximum of $675K with an agent. An agent would have been seen as supremely effective with a gross valuation of $600K (net $540K to Point).

Since my moving expenses were so much higher than the $5K granted, I characterized the fee as moving expenses. The transaction appears in the Point Foundation books for 1993. I took my fee as a part of the transaction on deposit of the check at West America Bank. From the scant direction I'd received, the financial authority I'd assumed and the general tenor of the organization, I had no reason to believe that this transaction was anything other than ethical and proper.
- Extracted from the attached text.

The transformation and renewal of a once proud institution is a complex undertaking. Most often, it can only be accomplished by an outsider who is ignorant of the history ;arrogant enough to believe that the goal is possible. and visionary enough to persist in spite of the obstacles. The organization itself must be desperate enough to consider using the rough hand of an outsider. The process is rarely pleasant, clean or smooth.

My strengths of arrogance ignorance and vision are also my weaknesses and the inherent risks of such a solution. In hindsight, I compounded the problem with several stupid errors:
- *I allowed myself to believe that there were no limits to my authority;*
- *I hired a board member to work on the staff;*
- *I did not insist on clear lines of authority;*
- *I ignored board development after my first attempt failed, concentrating instead on operational and strategic issues;*
- *I allowed the books to run out of control while I hoped that an employee would learn her job;*
- *I procrastinated a number of termination decisions;*
- *I made no attempt to learn about the differences between non-profit and for-profit businesses.*
- *I was unable to establish an effective relationship with the board*

Hindsight is remarkable in its clarity. While I can imagine that, knowing what I know now, I would have made some decisions differently, I am sure that each of my decisions, at the time, was proper and the best course of action for Point as an entity. Though I can see error now, I stand by my decisions as proper and reasonable at the time of execution. The largest error in my judgment was my misunderstanding of the legal underpinnings of non-profits. As a result, when the board appeared to be unworkable, I ceased informing it. In the Well transaction, my error was in fully appraising the board. I did not think it necessary though I know otherwise today
- Extracted from the attached text

The conflicting directions from the staff and board, coupled with the bookkeeper's inability to handle the work (I still do not know if this was competence or metabolism changes), has made it impossible to have adequate and accurate financial visibility to this date. I have not had the opportunity to review the attached financial reports which were prepared as I wrote this document. My personal experience of Point's finances have been like 'driving through a cornfield at night with mud on the windshield and no rearview mirror'.
- Extracted from attached text

In spite of the acrimony, the results of this year are nothing short of spectacular. The catalog is complete and we had enough money to do it. The initial redesign of the magazine is done and it is quite well received. Kidzlab is near funding sources. The dinners are working. The staff transitions are nearly complete. We have a strong partnership with Working Assets. The editorial stable is developing. Fund givers want to work with us. Newsstand sales are way up. The promotional work is a success. Advance orders on the catalog have topped 150K and Harper hopes to sell 400K by Christmas. Venture capitalists want to invest in a Point consulting firm. Opportunities are high.
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Solution(s)

'Shorten the Leash'
- Immediately establish a contract including job description, financial authority, termination for executive director
- Immediately establish a formal set of working boundaries for the board as the executive director's 'boss'
- Begin weekly board meetings until operating crisis is resolved including board member projects

'Define the Future'
- Agree on and implement a plan to develop coherent institutional objectives and the associated financial plan

'Stop the Leaks'
- Place all Point operations on a 45 day mothball cycle pending the outcome of planning
- Consolidate facilities into a small (1000 sq ft) space effective 1 September

'Begin the Fundraising'

For the Record 8-11-94

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When I began my employment discussions with Point in the late Spring of 1993, I encountered a staff and Board of Directors who were burnt out from a difficult history. The Spring had seen a major turnover in the Board including the resignation of the founder and the termination of the Executive Director. The staff was caught in a major political infighting battle. Finances were bleak to say the least. The decision making structure was in complete chaos. The board had no formal procedures and appeared to operate on an ad hoc basis with no governing set of priorities.

I approached the problem with a great deal of patience. I was willing to overlook the lack of clarity and commitment on the part of the organization because the historical battles had been so completely draining. I brought a deep personal commitment to renew and refresh the organization. As a favor to the board, I began my employment early to accommodate the arranged, untimely departure of Keith Jordan, the publisher. No transition plan was available.

I was hired in July 1993 by a subcommittee of the board that consisted of Howard, Chris Desser and Peggy Lauer. They presented themselves as authorized to make the decision. The staff seemed to concur. I was unaware that Mr McIntire and Ms Takahara were on the board and functioning as members of the board. Negotiations were handled by John Skov, a financial consultant. The final terms of employment were:

- a position as Publisher that would move to Executive Director on Howard Rheingold's approval (I chose to use the title of Executive Director from the outset and explained my actions in an early status report)
- a salary for 90 days of $45K per annum followed by 90 days at $55K per annum followed by 90 days at $65K per annum
- Moving expenses of $5000 to be paid in increments of $500/month
- A Macintosh powerbook as a 'signing bonus'
- Terms of resignation (cause, consequence and benefits) to be provided by the board at a later date
- Agreement that I could 'give myself a raise' when 'finances got better' (Rheingold).
- Salary was framed as 'parity' with Rheingold's salary as the book author
- Financial negotiations were conducted based on what Point could afford at the time with a recognition that moving expenses were inadequate.

The board never formalized its agreement with me, nor did it provide any type of employment contract or guidance about duties, responsibilities, financial authority, limits of authority, or reporting requirements. I described my goal as 'treating Point as my own business' and was encouraged to do so. By Rheingold, Desser, Skov and Lauer.

My first formal action as the Director was to approve the Harper Contract for the Millennium Whole Earth Catalog, a $425K commitment ($361K net to Point with a budget of $750K). My second action was to approve Mr. Rheingold's pay, another 6 figure transaction. I went on to procure a (relatively) large amount of capital equipment purchases. In each case, there was no question about the limits of my financial authority. From my perspective, I was given free reign to run the finances of the organization as I saw fit. I made a series of decisions about rights, royalties, salaries, renovations, equipment, policy, design, severance and staffing without any question from the board. There appeared to be no limits on my authority.

The hiring process was opaque to me but included a staff approval function. I spent more time interviewing with the staff than with the board. The board decision appeared to be contingent on staff approval. Mr Rheingold seemed to play a role

that was part staff, part board. To my knowledge, the full board was never convened to approve or discuss my hiring, responsibilities, accountability. The staff believed that it had hired me

The lack of clarity about boundaries between staff and board has remained problematic throughout my tenure. It was not possible to tell whether I worked for the board or the staff until just recently, at the conclusion of the catalog project. **The lack of clarity about lines of authority and accountability is the root of Point's historical problems and is the cause of the current leadership crisis.** It predates my tenure by years and is the underlying cause of all financial problems and the extraordinary turnover in founders, editors, board members and executive directors. It is the fundamental cause of the enterprise's lack of focus and mission.

I compounded the problem by hiring a board member as staff. While I used the Well transaction to clarify some of the problem (Mr Rheingold could not serve on both boards for conflict of interest reasons), having a board member on staff further blurred the lines of authority.

Following the decision to hire, I had no further formal interaction with the board until Chris Desser resigned her post in early November. No welcoming visit, no tutorial on functioning in the non-profit world, no introduction to the rest of the board, no job guidance....nothing. No board meeting was called for the occasion of Ms Desser's resignation, Ms Desser simply informed me over coffee in Mill Valley.

In late October, I determined that it was necessary to sell the Well in order to finance the Catalog and Point as an entity. This was in direct conflict with the operating assumptions I'd been given in my job interviews. At no time was I hired to dispose of corporate assets. In fact, I made it quite clear that I was opposed in principle to the sale of the Well for operating funds. However, the decision making structure made it impossible for me to manage the catalog 'into' its contract price and an advance renewal program in the Spring had destroyed traditional Christmas revenues. The Well sale was a survival tactic.

I determined to dispose of the Well without the use of outside agents. My reasoning was that I could negotiate more effectively and would be less expensive than an outside agent. At my fee of 3.33% (for work beyond the base job), Point would make more money and I knew that I could get the highest price possible. Although I specifically was not hired to perform this function, negotiations of this sort are a part of the expertise I brought to Point. The initial offer was $200K and the deal settled at $750K. My fee was $25K. Point's net was $725K as opposed to a maximum of $675K with an agent. An agent would have been seen as supremely effective with a gross valuation of $600K (net $540K to Point).

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Given the board's laissez-faire approach to management of the Institution, I attempted to pin down board roles and responsibilities in November by asking for comments and approvals on a set of descriptions of the roles and responsibilities of a Point Board member. My work was greeted with suspicion and mistrust and no resolution of the question was ever achieved. Most of the board members agreed informally that the board should function as an annual financial overseer reviewing next year budgets and prior year results. My attempt to pin down time and energy commitments was tabled. I moved to use the board as I was required to do by the By Laws...one annual meeting in November of each year. I formed an operating executive committee, like the one that hired me, and proceeded to transform the organization.

As an operating principle, I began to envision the Board's function as it had been in the early days of the institution. Led by a president (Stewart Brand) who had complete freedom to choose direction and financial moves, the board functioned as an operational rubber stamp with suggestion capacity in grant giving. This is Point's legacy. What I've discovered, however, is that the board has evolved a series of unenunciated expectations for its authority. Times have changed and Point requires a much more formal board with clearly articulated roles and responsibilities. Precedent, argued when convenient, is a terribly irresponsible way to run a board. Point's legacy and its current circumstances are and have been deeply at odds with each other.

In a 'post-founder' environment, this board with this set of operating problems requires a full and complete set of operating procedures, reporting requirements, decision making thresholds and a strong formal structure. Regardless of my involvement in the process, Point will have to rapidly deploy this sort of formality. Besides a formal structure, the board must share a passion for the organization's mission and be able to articulate both the mission and their role in it. As an inherently deficit financed enterprise, the board members will have to make commitments to raise specific dollar levels of funds (between $50 and $100K per year).

Finances of The Point Foundation

As a part of my takeover strategy, I essentially terminated the entire business staff replacing them with a development director and a book keeper/business manager. I kept a customer service employee in place. I arranged for a national distributor and a fulfillment house.

The bookkeeper, who started in October, was immediately taken ill with thyroid cancer. Approximately one month after she started, she was hospitalized for removal of her thyroid. When she returned to the enterprise in late November, she was quite far behind and over her head. Her recovery from surgery included a metabolic adjustment which affected her ability to concentrate, manipulate details and in general perform her work. I directed her to change the accounting system from a primitive and complex archaic system to a streamlined contemporary system beginning January, 1994. The twin tasks of ongoing operations and system upgrade proved to be beyond her capacities.

In March, I brought a professional magazine bookkeeper in to review her work. It was determined that the books could be completely reconciled and closed within one week. As that (and several other) deadlines passed with no visible progress, I began formulating a plan for her dismissal which included clear articulated deadlines and performance targets. The staff was uniform in their desire to see her stay, so I moved quite conservatively. 90 days later, I terminated her as a layoff.

The book keeper was replaced by a reasonably competent employee from a temporary firm. We have spent the last six weeks trying to reconcile the books so that a closed set (through June 30, 1994) was available for inspection. (Attached with this package is a summary of the 1993 books and year to date, through June, for 1994).

The conflicting directions from the staff and board, coupled with the bookkeeper's inability to handle the work (I still do not know if this was competence or metabolism changes), has made it impossible to have adequate and accurate financial visibility to this date. I have not had the opportunity to review the attached financial reports which were prepared as I wrote this document. My personal experience of Point's finances have been like 'driving through a cornfield at night with mud on the windshield and no rearview mirror'.

For further continuing clarity about the Foundation's financial operations, the Board will need to define and describe levels of financial authority, procedures for approval, reporting requirements and reporting cycles. The base work of the transition to a crisp accounting system is nearly complete.

Given the current accounting structure, the following summaries are executive level. The intent is to summarize the past at a top level and are not, in any way, precise. Roughly, our income and expenses look like this for the year from 1 August 1993 to 31 July 1994.

Income:	
Magazine subscription revenue:	200,000
Catalog Contract:	298,000
Well Sale:	750,000
	$1,248,000

Expenses:	
Magazine:	450,000 (probably lower)
Catalog:	750,000 (probably higher)
Equipment (phones, computers):	180,000
Further Institute:	70,000
	$1,350,000

For the next year, the balance sheet is simpler:

Magazine expenses:	$1,100,000
Further Expenses	100,000
	$1,200,000

Magazine Income:	$ 637,000
Deficit	$ 500,000
Catalog Revenue:	63,000
Other Projects	????
Fundraising	????
	$1,200,000

The first question that comes to mind in a review of these top level numbers is 'How could the catalog be budgeted so far in excess of income?'. The answer is, simply, that this was the operating mandate inherent in the structure I was given. The editor of the catalog was set aside as an equal in the organization and any attempt to control the cost and schedule of the exercise was spurned. The board, which could not even agree on its roles and responsibilities was incapable of actually

controlling this budget question. The planned budget for the catalog was in the operating documentation turned over to me by the board at the outset of my contract. My development director tried to contain this financial problem and met with the same results I did.

The second question raised by these numbers has to do with past and future income. Just why are fundraising, grants and subscription income so skewed? Again, the answer has to do with operational decision making. I procrastinated the termination of those responsible for income while I awaited their promised results. I personally developed the invoices for accounts receivable and renewal notice schedules when my management attempts failed. Still, income did not appear because my staff at the time was incapable of follow through.

The third question raised by these numbers is 'How can Point proceed with this future?'.

As in any decision to change, the pull of the old and comfortable is in tension with the new and uncertain. The risk of a vibrant future makes a slow decay look tantalizingly secure. A small but necessary walk of faith is the optimal solution, but history is a mighty influence. These moments heighten financial insecurity. The courage to take that walk will be found in the enormous success of the Further Institute experiment.

The dinners and evolving social network have provided Point with a reservoir of hope and dynamic community. Though early in its formative stages, Further is consistently delivering on its 'double your passion' guarantee. The net result is an extraordinary volume of ideas, metaphors, offers of help, connection and opportunity. Further has given the place a soul and burgeoning access to fundraising.

Mechanically, the solution is to prepare a 'bottoms up' evaluation of the business and its various futures. With uninterrupted focus, such a plan could reasonably be completed within 30 to 45 days of its initiation. Core difficult questions like 'Are we really in the magazine business?' and 'Do we really need the staff an facilities?' and 'What are our goals and structure?' must be clearly and concisely addressed and resolved.

Staffing and Burnout

To accomplish a comprehensive revitalization requires a single focused mind with a consensus built around it. It requires adequate competent staffing as a supporting structure. While the staff in place at my arrival were all interesting people, there was a distinct shortage of experience and expertise throughout the team. A series of replacements were inevitable.

Roughly, the staff can be divided into two groups: those who have always been here and can cite chapter and verse of history and new staff who are in the midst of a two year learning curve. The process of identifying, testing out and solidifying staff relationships that can be effective in a transformation is inherently experimental. By its nature, it involves excessive amounts of time invested and incredible precision in direction while allowing for fault tolerance.

Since I took the job, I have been effectively acting as Editor, Publisher, Executive Director and Magazine Redesign Specialist. It's no surprise that the result of being spread so thin is that I am short tempered and less effective than optimal. When compounded with the board's lack of clarity in matters of authority, the situation is completely untenable. Were I to continue in my role as Executive Director, my priorities (following completion and approval of an integrated business plan) would be the identification and acquisition of fully competent staff and a firm limit of my time commitment to the enterprise.

Results

In spite of the acrimony, the results of this year are nothing short of spectacular. The catalog is complete and we had enough money to do it. The initial redesign of the magazine is done and it is quite well received. Kidzlab is near funding sources. The dinners are working. The staff transitions are nearly complete. We have a strong partnership with Working Assets. The editorial stable is developing. Fund givers want to work with us. Newsstand sales are way up. The promotional work is a success. Advance orders on the catalog have topped 150K and Harper hopes to sell 400K by Christmas. Venture capitalists want to invest in a Point consulting firm. Opportunities are high.

Solution(s)

'Shorten the Leash'

- Immediately establish a contract including job description, financial authority, termination for executive director
- Immediately establish a formal set of working boundaries for the board as the executive director's 'boss'
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'Define the Future'

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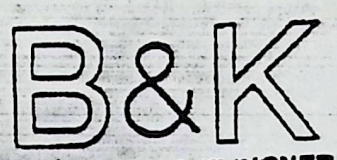
- Place all Point operations on a 45 day mothball cycle pending the outcome of planning
- Consolidate facilities into a small (1000 sq ft) space effective 1 September

'Begin the Fundraising'



Robert J. Guilford
Kevin J. Keen

BOYDSTUN & KLINGNER • CERTIFIED PUBLIC ACCOUNTANTS

August 11,1994

Board of Directors
Point Foundation
Sausalito, CA

You have asked us to make a proposal to you for accounting services in regard to obtaining information on the financial results of your operations for calendar 1993 and the first 6 months of 1994, and assistance with systems.

We have had various discussions with members of your staff, directors, and the accountant who prepared your 1993 non-profit tax returns. We have missed connecting with your internal bookkeeper so do not know how close she is to providing statements.

Our assessment of the situation at this time is that immediate attention should be given to obtaining internal statements for the first 6 months of 1994, and the other matters should be deferred till mid September.

We propose to:

1. Assist your internal bookkeeper in cleaning up the books and clarifying issues which she may have questions about in an effort to get information to you as quickly as possible. This approach is specifically being chosen instead of our preparing statements because we believe you will get faster results this way.

2. Consult with the Board in explaining the information contained in the internally prepared statements, and work with the Board to formulate specific questions and methods of answering those questions, which will arise from going over the internal statements.

3. Upon completion of the work with the June 1994 information we will assess your further needs and make a separate proposal to satisfy them.

Retainer and Payment for Services:

The fee for our services will be at our standard rates. For Tom Rose's services the rate is $500 per half-day and $1000 per full day plus any out of pocket expenses. Tom will be performing these initial services. We believe substantial progress can be made in two and a half days. Accordingly a retainer of $2500 payable in advance of work is proposed.

185 Berry Street, Suite 4600 • San Francisco, CA 94107 • (415) 541-9911 • FAX (415) 546-1462

Should additional work be necessary an additional advance will be arranged at that time.

Enclosed is a short summary of our firms practice.

Very truly yours,

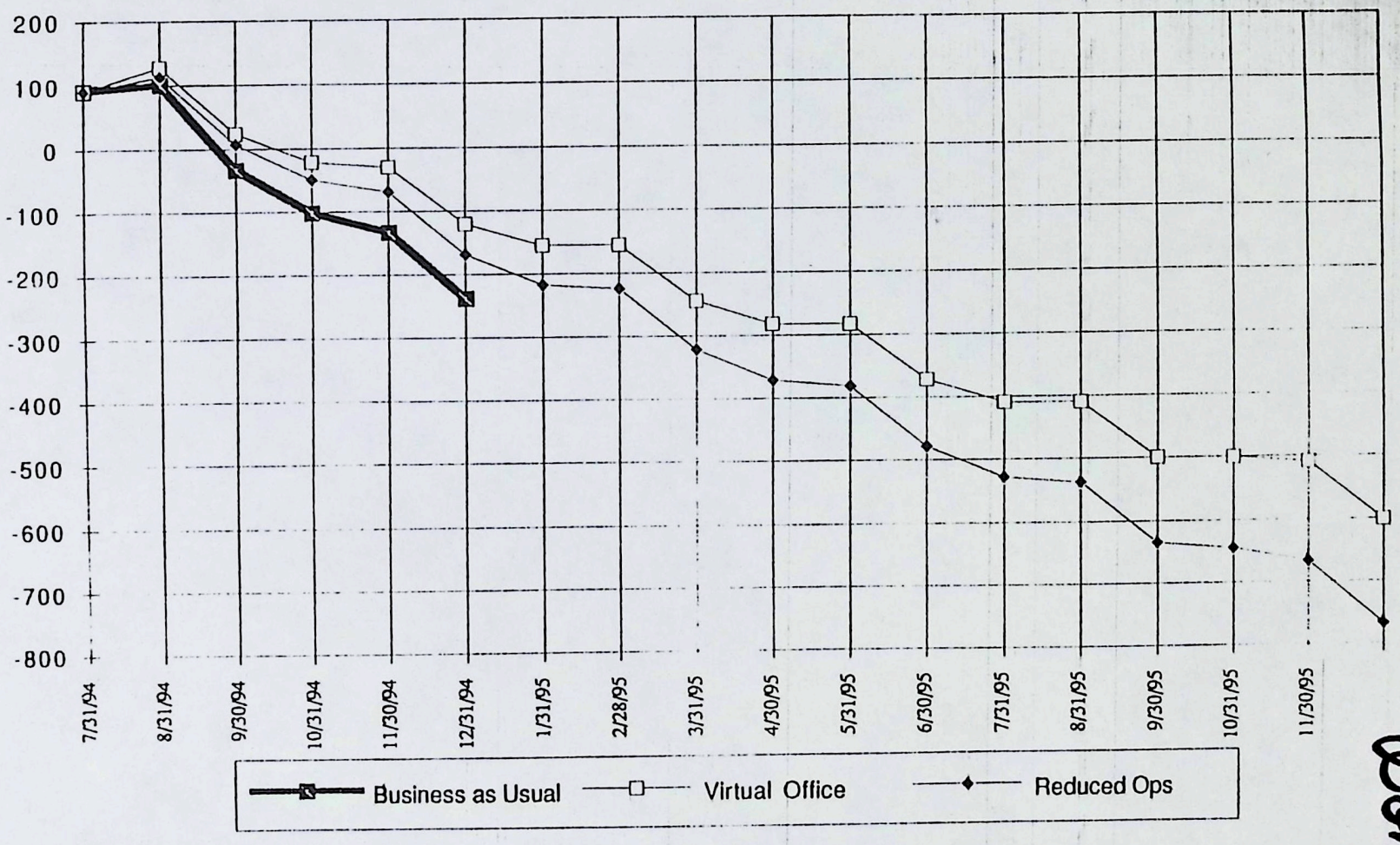
Boydstun & Klingner

Boydstun & Klingner
Certified Public Accountants

Accepted for
Point Foundation

	Scenario Overview	Staffing	Near Term Actions	Deficit Timing (Cash Position)
Scenario 1	Business as Usual	• Hire Business Manager • Hire Phone Answerer (2) • No Cutbacks	• Move R Nilsen to disability • Bill S Brand for rent and services • Cancel WE Radio	• -33K by mid oct • - 238K by 12-31 • - 1M by 12-95
Scenario 2	Virtual Organization	• Hire Business Manager • Hire Phone Answerer (2) • Cut Magazine Staff to 5	• Move R Nilsen to disability • Terminate Rental Agreements Effective 10-1 • Editorial Staff on Subcontract • Arrange for simple suite w/ 5 offices (Garden?) • Bill S Brand for rent and services • Cancel WE Radio	• -21 by 10-31 • - 120 by 12-31 • - 608 by 12-95
Scenario 3	Reduced Operations	• Hire Business Manager • Hire Phone Answerer (2) • Cut Magazine Staff to 5	• Reduce Rental to $5K • Bill S Brand for rent and services • Cancel WE Radio	• - 50K as of 10-15 (contributor payments) • - 168K as of 12-31 • - 767K as of 12-95

Alternate Scenario Evaluatio



For what it's worth

Business As Usual

~~Medium Case budget~~

	7/31/94	8/31/94	9/30/94	10/31/94	11/30/94	12/31/94		
Income								
6000 WER Sales		30,000.00	20,000.00	20,000.00	40,000.00	40,000.00	18000 subscribers	
6010 Subscription Refunds								
6020 Back Issue Sales		200.00	200.00	200.00	200.00	200.00		
6030 Distributor Sales		0.00		30,000.00	0.00			
6040 Distributor Returns			0.00			0.00	ad income	
6050 MWEC Sales		3,000.00			3,000.00			
6060 List Sales				6,000.00		0.00		
6070 Unclassifieds Sales		200.00	200.00	200.00	200.00	200.00		
6080 Bookstore Sales		100.00	100.00	0.00	0.00	0.00		
6100 Royalties		63,750.00						
6200 Production Income								
6300 Contributors WER		500.00	500.00	500.00	500.00	500.00		
6350 Contributors MWEC								
6400 Interest/Dividend Income								
6500 Other Sales			0.00					
6595 Discount Control Account								
6700 Grants Income			0.00					
Total Income	91,000.00	97,750.00	21,000.00	56,900.00	43,900.00	40,900.00		
Cumlative Income	91,000.00	188,750.00	209,750.00	266,650.00	310,550.00	351,450.00		
Expenses								
7000 Grants Expense		0.00						
7100 Wages Executive		3,750.00	3,750.00	3,750.00	3,750.00	3,750.00		
7110 Wages and Salaries		35,000.00	35,000.00	35,000.00	35,000.00	35,000.00		
7115 Advances								
7116 Loans to Staff								
7120 Employee Benefits		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00		
7125 Aetna 403b Pension Plan								
7130 Accounting Fees		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00		
7140 Legal Fees								
7150 Outside Professional Services								
7160 Contributors WER			15,000.00			15,000.00		
7170 Contributors MWEC				50,000.00				
7180 Casual Labor								
7200 Payroll Taxes		3,487.50	3,487.50	3,487.50	3,487.50	3,487.50		
7250 Other Taxes and Fees		5,000.00						
7300 Occupancy		6,539.98	6,539.98	6,539.98	6,539.98	6,539.98		
7325 Leasehold Improvement								
7350 Utilities		1,000.00	1,000.00	1,000.00	1,000.00	1,000.00		
7400 Telephone		800.00	800.00	800.00	800.00	800.00		
7450 Postage/Shipping		800.00	800.00	800.00	800.00	800.00		
7500 Interest / Finance Charges								
7520 Ban / Service Charges		100.00	100.00	100.00	100.00	100.00		
7550 Supplies		700.00	700.00	700.00	700.00	700.00		
7570 Library		500.00	500.00	500.00	500.00	500.00		
7575 Bookstore Purchase		0.00	0.00	0.00	0.00	0.00		0.00
7580 Equipment under $30		500.00	500.00	500.00	500.00	500.00		
7600 Equipment Rental/Maint								
7650 Depreciation/Amortization								
7700 Insurance		900.00	900.00	900.00	900.00	900.00		
7800 Travel		2,000.00	2,000.00	5,000.00	5,000.00	1,000.00		
7850 Conferences/Seminars								
7860 Meals		3,000.00	3,000.00	3,000.00	3,000.00	3,000.00		
7865 Promotional/ Circulation Dev		15,000.00	15,000.00	5,000.00	5,000.00	5,000.00		
7900 Printing			58,900.00			60,000.00		
7910 Fulfillment		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00		
7930 Advertising		750.00	750.00	750.00	750.00	750.00		
7960 Circulation								
7965 Subscription Refunds								
7966 Bookstore Refunds								
Total Expenses	0.00	87,327.48	156,227.48	125,327.48	75,327.48	146,127.48		
	0.00	87,327.48	243,554.96	368,882.44	444,209.92	590,337.40		
cash	91,000.00	188,750.00	122,422.52	23,095.04	(58,332.44)	(92,759.92)		
expenses	0.00	87,327.48	156,227.48	125,327.48	75,327.48	146,127.48		
net	91,000.00	101,422.52	(33,804.96)	(102,232.44)	(133,659.92)	(238,887.40)		

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VIRTUAL OFFICE

~~Medium Case~~ budget CASH FLOW

		7/31/94	8/31/94	9/30/94	10/31/94	11/30/94	12/31/94	1/31/95	2/28/95	3/31/95	4/30/95	5/31/95	6/30/95	7/31/95	8/31/95	9/30/95	10/31/95
Income																	
6000	WER Sales		30,000.00	30,000.00	20,000.00	40,000.00	40,000.00	20,000.00	20,000.00	40,000.00	20,000.00	20,000.00	40,000.00	20,000.00	20,000.00	40,000.00	20,000.00
6010	Subscription Refunds																
6020	Back Issue Sales		200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
6030	Distributor Sales		0.00		30,000.00	0.00			30,000.00	0.00		30,000.00	0.00		30,000.00	0.00	30,000.00
6040	Distributor Returns			0.00			0.00	0.00			0.00			0.00			
6050	MWEC Sales		3,000.00			3,000.00				3,000.00			3,000.00			3,000.00	
6060	List Sales				6,000.00		0.00		6,000.00			6,000.00			6,000.00		6,000.00
6070	Unclassifieds Sales		200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
6080	Bookstore Sales		100.00	100.00	0.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00	100.00	0.00	0.00	0.00
6100	Royalties		63,750.00														
6200	Production Income																
6300	Contributors WER		500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
6350	Contributors MWEC																
6400	Interest/Dividend Income																
6500	Other Sales			0.00				0.00			0.00			0.00			
6595	Discount Control Account																
6700	Grants Income			0.00				0.00			0.00			0.00			
	Total Income	91,000.00	97,750.00	31,000.00	56,900.00	43,900.00	40,900.00	21,000.00	56,900.00	43,900.00	21,000.00	56,900.00	43,900.00	21,000.00	56,900.00	43,900.00	56,900.00
	Cumulative Income	91,000.00	188,750.00	219,750.00	276,650.00	320,550.00	361,450.00	382,450.00	439,350.00	483,250.00	504,250.00	561,150.00	605,050.00	626,050.00	682,950.00	726,850.00	783,750.00
Expenses																	
7000	Grants Expense																
7100	Wages Executive		3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	5,416.67	5,416.67	5,416.67	5,416.67	5,416.67	5,416.67	5,416.67	5,416.67
7110	Wages and Salaries		33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00	33,250.00
7115	Advances																
7116	Loans to Staff																
7120	Employee Benefits		1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00	1,920.00
7125	Aetna 403b Pension Plan																
7130	Accounting Fees		10,000.00				2,500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00
7140	Legal Fees																
7150	Outside Professional Services																
7160	Contributors WER			15,000.00			15,000.00	0.00		15,000.00	0.00		15,000.00	0.00		15,000.00	
7170	Contributors MWEC				50,000.00				0.00			0.00			0.00		0.00
7180	Casual Labor																
7200	Payroll Taxes		1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
7250	Other Taxes and Fees		1,250.00														
7300	Occupancy		7,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
7325	Leasehold Improvement																
7350	Utilities		200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00
7400	Telephone		800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00
7450	Postage/Shipping		400.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00	800.00
7500	Interest / Finance Charges																
7520	Bank / Service Charges		100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
7550	Supplies																
7570	Library																
7575	Bookstore Purchase																
7580	Equipment under $30																
7600	Equipment Rental/Maint																
7650	Depreciation/Amortization							900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00
7700	Insurance							2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
7800	Travel																
7850	Conferences/Seminars																
7860	Meals		0.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
7865	Promotional/ Circulation Dev		5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
7900	Printing			58,900.00			60,000.00	0.00		60,000.00	0.00		60,000.00	0.00		60,000.00	
7910	Fulfillment		2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
7930	Advertising		750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
7960	Circulation																
7965	Subscription Refunds																
7966	Bookstore Refunds																
Total Expenses		0.00	67,920.00	126,970.00	103,070.00	53,070.00	130,570.00	56,470.00	56,470.00	133,136.67	58,136.67	58,136.67	133,136.67	58,136.67	58,136.67	133,136.67	58,136.67
		0.00	67,920.00	194,890.00	297,960.00	351,030.00	481,600.00	538,070.00	594,540.00	727,676.67	785,813.33	843,950.00	977,086.67	1,035,223.33	1,093,360.00	1,226,496.67	1,284,633.33
	cash	91,000.00	188,750.00	151,830.00	81,760.00	22,590.00	10,420.00	(99,150.00)	(98,720.00)	(111,290.00)	(223,426.67)	(224,663.33)	(238,900.00)	(351,036.67)	(352,273.33)	(366,510.00)	(442,746.67)
	expenses	0.00	67,920.00	126,970.00	103,070.00	53,070.00	130,570.00	56,470.00	56,470.00	133,136.67	58,136.67	58,136.67	133,136.67	58,136.67	58,136.67	133,136.67	58,136.67
	net	91,000.00	120,830.00	24,860.00	(21,310.00)	(30,480.00)	(120,150.00)	(155,620.00)	(155,190.00)	(244,426.67)	(281,563.33)	(282,800.00)	(372,036.67)	(409,173.33)	(410,410.00)	(499,646.67)	(500,883.33)

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Virtual Office

~~Medium Case budget~~

Income		11/30/95	12/31/95		
6000	WER Sales	40,000.00	40,000.00	18000 subscribers	500,000.00
6010	Subscription Refunds				0.00
6020	Back Issue Sales	200.00	200.00		3,400.00
6030	Distributor Sales	0.00			150,000.00
6040	Distributor Returns		0.00	ad income	0.00
6050	MWEC Sales	3,000.00			18,000.00
6060	List Sales		0.00		30,000.00
6070	Unclassifieds Sales	200.00	200.00		3,400.00
6080	Bookstore Sales	0.00	0.00		500.00
6100	Royalties				63,750.00
6200	Production Income				0.00
6300	Contributors WER	500.00	500.00		8,500.00
6350	Contributors MWEC				0.00
6400	Interest/Dividend Income				0.00
6500	Other Sales				0.00
6595	Discount Control Account				0.00
6700	Grants Income				0.00
	Total Income	43,900.00	40,900.00		777,550.00
	Cumlative Income	827,650.00	868,550.00		
Expenses					
7000	Grants Expense			cancel WE Radio	0.00
7100	Wages Executive	5,416.67	5,416.67		80,416.67
7110	Wages and Salaries	33,250.00	33,250.00		565,250.00
7115	Advances				0.00
7116	Loans to Staff				0.00
7120	Employee Benefits	1,920.00	1,920.00		32,640.00
7125	Aetna 403b Pension Plan				0.00
7130	Accounting Fees	500.00	2,500.00		20,500.00
7140	Legal Fees				0.00
7150	Outside Professional Services				0.00
7160	Contributors WER		15,000.00		90,000.00
7170	Contributors MWEC				50,000.00
7180	Casual Labor				0.00
7200	Payroll Taxes	1,000.00	1,000.00		17,000.00
7250	Other Taxes and Fees				1,250.00
7300	Occupancy	1,000.00	1,000.00		23,000.00
7325	Leasehold Improvement				0.00
7350	Utilities	200.00	200.00		3,400.00
7400	Telephone	800.00	800.00		13,600.00
7450	Postage/Shipping	800.00	800.00		13,200.00
7500	Interest / Finance Charges				0.00
7520	Ban / Service Charges	100.00	100.00		1,700.00
7550	Supplies				0.00
7570	Library				0.00
7575	Bookstore Purchase			0.00	0.00
7580	Equipment under $30				0.00
7600	Equipment Rental/Maint				0.00
7650	Depreciation/Amortization				0.00
7700	Insurance	900.00	900.00		10,800.00
7800	Travel	2,000.00	1,000.00		23,000.00
7850	Conferences/Seminars				0.00
7860	Meals	2,000.00	2,000.00	cancel lunches	32,000.00
7865	Promotional/ Circulation Dev	5,000.00	5,000.00		85,000.00
7900	Printing		60,000.00		358,900.00
7910	Fulfillment	2,500.00	2,500.00		42,500.00
7930	Advertising	750.00	750.00		12,750.00
7960	Circulation				0.00
7965	Subscription Refunds				0.00
7966	Bookstore Refunds				0.00
Total Expenses		58,136.67	134,136.67		1,476,906.67
		1,342,770.00	1,476,906.67		
	cash	(456,983.33)	(474,220.00)		
	expenses	58,136.67	134,136.67		
	net	(515,120.00)	(608,356.67)		

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Termination Issues

- Back Pay:
  - Editorial @ $8K per issue = $12K
  - Deferred salary = approximately $14,200
- Rental of storage space = 7 months * $300/month = $2,100
- Severance pay to be negotiated
- Termination description adequate for unemployment compensation
- Hold harmless clause in termination letter
- Maintenance of 'Points' in catalog profit sharing agreement
- Time for removal of personal effects from facility (coffee maker, china, stereo etc.)
- Lifetime subscription to Point publications
- Editorial credit for current issue
- One unedited page of explanation for the departure in next magazine (Gossip)
- Permission to use the names Whole Earth and Further Institute
- Participation in any future profit sharing by catalog staff

August 8, 1994

Mr. John Sumser
Executive Director
Point Foundation
27 Gate Five Road
Sausalito, CA 94965

Dear John,

I appreciate your kinds words about my service on the Point board in your letter of July 22. However, to continue "doing the right thing," it would not be appropriate for me to walk away at this time, considering the questionable, crucial financial situation. Therefore, in spite of your efficient--albeit unprecedented--adherence to the Bylaws regarding a director's term of office, I must refuse your suggestion that I am no longer on the board.

I will still consider myself a director of the Point board until a financial report is completed for our review, something I have requested from you several times.

I also believe that a replacement should be found before I leave the board.

Sincerely,

Peggy Lauer

Peggy Lauer
6 Tamal Vista Drive
San Rafael, CA 94901

cc: Jerry George, 14 Sentinel Court, San Rafael, CA 94901
Gaetano Maida, c/o Legacy Media, 1307 Josephine Street, Berkeley, CA 94703
Beau Takahara, c/o Center for the Arts, 701 Mission Street, S.F., CA 94103

POINT FOUNDATION
Standard Trial Balance
December 31, 1993

ASSETS:	
1000 WESTAMERICA 506-60241-6	83,113.35
1010 WESTAMERICA 506-33019-0	625,195.80
1015 WELLS FARGO	7,067.36
1020 NATIONAL WESTMINSTER BANK	0.00
1030 WORKING ASSETS	10,772.09
1100 PETTY CASH	0.00
1200 GRANTS FUND	0.00
1300 MAIN POSTAL ACCOUNT	0.00
1400 ISAL POSTAL ACCOUNT	280.22
1500 FULCO POSTAL ACCOUNT	0.00
1700 A/R - EMPLOYEES	0.00
1750 A/R - ALTERNATIVE DISTRIBUTORS	171,205.97
1760 A/D - LOSS RESERVE	9,000.00-
1770 A/R - LIST SALES	7,029.92
1780 A/R - LOANS TO STAFF	0.00
1790 A/R - MISCELLANEOUS	3,140.92
2000 INVENTORY - WER	1,575.00
2010 INVENTORY - BOOKSTORE	0.00
2020 RESERVE FOR OBSOLESCENCE	0.00
2030 LEASEHOLD IMPROVEMENT	0.00
2040 FURNITURE FIXTURES EQUIPMENT	141,566.27
2060 ACCUMULATED DEPRECIATION	94,702.92-
3000 INVESTMENTS	30,000.10
3010 LOSS RESERVE	0.00
3015 DEPOSITS	415.00
3020 PREPAID TAXES	0.00
3030 PREPAID EXPENSE	1,006.25
3040 SUSPENSE	0.00
3041 SUSPENSE #2	36,302.78
LIABILITIES:	
4000 A/P - OPERATIONS	69,333.47-
4100 SALES TAX PAYABLE	338.00-
4150 OTHER TAXES PAYABLE	0.00
4200 WER SUBSCRIPTONS LIABILITY	501,077.90-
4300 1992/93 O/S CKS	0.00
4400 A/P BROCK MEEKS DEFENSE FUND	0.00
4600 GRANTS PAYABLE	0.00
EQUITY:	
5000 FUND SURPLUS BEGINNING OF YEAR	444,218.74-
9998 History Balancing Account	0.00
INCOME:	
6000 WER SALES	473,841.10-
6010 SUBSCRIPTION REFUNDS	2,202.81
6020 BACK ISSUES SALES	10,636.93-
6030 DISTRUBUTORS SALES	260,392.12-
6040 DISTRIBUTORS RETURNS	55,882.80
6050 MWEC SALES	0.00
6060 LIST SALES	15,975.77-
6070 UNCLASSIFIEDS SALES	7,946.00-
6080 BOOKSTORE SALES	21,525.61-
6100 ROYALTIES	3,132.04-
6200 PRODUCTION INCOME	266,199.50-
6300 CONTRIBUTIONS - WER	20,854.61-
6350 CONTRIBUTIONS - MWEC	62,235.00-
6400 INTEREST/DIVIDEND INCOME	1,020.85-
6500 OTHER SALES	742,139.00-

POINT FOUNDATION
Standard Trial Balance
December 31, 1993

6595 DISCOUNT CONTROL ACCOUNT	0.00
6700 GRANTS INCOME	0.00
EXPENSES:	
7000 GRANTS EXPENSE	250.00
7100 WAGES - EXECUTIVE	29,938.74
7110 WAGES & SALARIES	384,692.19
7115 OTHER PAY	0.00
7116 LOANS TO STAFF	0.00
7117 REIMB JRS MOVING EXPENSES	0.00
7120 EMPLOYEE BENEFITS	10,621.26
7125 AETNA 403B PENSION PLAN	0.00
7130 ACCOUNTING FEES	2,210.00
7140 LEGAL FEES	7,460.17
7150 OUTSIDE PROFESSIONAL SERVICES	10,243.88
7160 CONTRIBUTORS -WER	41,350.56
7170 CONTRIBUTORS - MWEC	2,066.22
7180 CASUAL LABOR	0.00
7200 PAYROLL TAXES	41,375.18
7250 OTHER TAXES	2,235.32
7260 FEES, LICENSES & PERMITS	0.00
7300 RENT	64,481.66
7310 OCCUPANCY/JANITORIAL	0.00
7325 LEASEHOLD IMPROVEMENT	0.00
7350 UTILITIES	6,315.50
7375 UTILITIES	0.00
7400 TELEPHONE	5,820.90
7450 POSTAGE/SHIPPING	12,958.96
7500 FINANCE/INTEREST CHARGES	1,312.31
7520 BANK/SERVICE CHARGES	6,021.87
7550 SUPPLIES	98,460.05
7570 LIBRARY	813.89
7575 BOOKSTORE PURCHASES	7,663.12
7580 FURN/FIXT/EQUIP/UNDER $300	0.00
7600 EQUIPMENT RENTAL/MAINTENANCE	8,410.44
7650 DEPRECIATION & AMORTIZATION	13,661.00
7700 INSURANCE	41,647.84
7800 TRAVEL	4,760.53
7850 CONFERENCES, SEMINARS	0.00
7860 MEALS	2,548.91
7865 ENTERTAINMENT/PROMO	0.00
7870 VISA * NEEDS EXPENSING	0.00
7900 PRINTING	52,547.30
7905 COST OF SALES	0.00
7910 FULFILLMENT	41,837.43
7930 ADVERTISING & PROMOTIONS	14,437.48
7960 CIRCULATION	63,370.60
7965 SUBSCRIPTION REFUNDS	0.00
7966 BOOKSTORE REFUNDS	0.00
9999 Income Transfer Account	848,299.61
TOTAL	0.00

POINT FOUNDATION
Standard Trial Balance
June 30, 1994

ASSETS:		
1000	WESTAMERICA 506-60241-6	15,511.01-
1010	WESTAMERICA 506-33019-0	127,557.84
1015	WELLS FARGO	5,868.32
1020	NATIONAL WESTMINSTER BANK	40,468.79
1030	WORKING ASSETS	10,906.07
1100	PETTY CASH	0.00
1200	GRANTS FUND	0.00
1300	MAIN POSTAL ACCOUNT	0.00
1400	ISAL POSTAL ACCOUNT	280.22
1500	FULCO POSTAL ACCOUNT	2,066.80
1700	A/R - EMPLOYEES	4,674.91-
1750	A/R - ALTERNATIVE DISTRIBUTORS	148,356.87
1760	A/D - LOSS RESERVE	9,000.00-
1770	A/R - LIST SALES	5,204.39
1780	A/R - LOANS TO STAFF	1,437.06
1790	A/R - MISCELLANEOUS	2,177.22
2000	INVENTORY - WER	1,575.00
2010	INVENTORY - BOOKSTORE	9,021.24
2020	RESERVE FOR OBSOLESCENCE	0.00
2030	LEASEHOLD IMPROVEMENT	8,469.65
2040	FURNITURE FIXTURES EQUIPMENT	212,344.81
2060	ACCUMULATED DEPRECIATION	94,702.92-
3000	INVESTMENTS	30,000.10
3010	LOSS RESERVE	0.00
3015	DEPOSITS	1,415.00
3020	PREPAID TAXES	0.00
3030	PREPAID EXPENSE	1,006.25
3040	SUSPENSE	0.00
3041	SUSPENSE #2	0.00
LIABILITIES:		
4000	A/P - OPERATIONS	2,105.86-
4100	SALES TAX PAYABLE	61.99-
4150	OTHER TAXES PAYABLE	200.52-
4200	WER SUBSCRIPTONS LIABILITY	545,676.01-
4300	1992/93 O/S CKS	3,374.54-
4400	A/P BROCK MEEKS DEFENSE FUND	3,218.00-
4600	GRANTS PAYABLE	0.00
EQUITY:		
5000	FUND SURPLUS BEGINNING OF YEAR	70,370.13
9998	History Balancing Account	0.00
INCOME:		
6000	WER SALES	158,320.32-
6010	SUBSCRIPTION REFUNDS	307.85
6020	BACK ISSUES SALES	3,721.50-
6030	DISTRUBUTORS SALES	0.00
6040	DISTRIBUTORS RETURNS	25,578.07
6050	MWEC SALES	2,790.00-
6060	LIST SALES	6,103.96-
6070	UNCLASSIFIEDS SALES	1,492.00-
6080	BOOKSTORE SALES	1,797.75-
6100	ROYALTIES	1,733.52-
6200	PRODUCTION INCOME	63,750.00-
6300	CONTRIBUTIONS - WER	2,825.00-
6350	CONTRIBUTIONS - MWEC	1,746.66
6400	INTEREST/DIVIDEND INCOME	4,662.10-
6500	OTHER SALES	303.64-

6595	DISCOUNT CONTROL ACCOUNT	16.88
6700	GRANTS INCOME	0.00
EXPENSES:		
7000	GRANTS EXPENSE	2,000.00
7100	WAGES - EXECUTIVE	22,500.00
7110	WAGES & SALARIES	314,754.41
7115	OTHER PAY	2,270.30
7116	LOANS TO STAFF	1,153.50
7117	REIMB JRS MOVING EXPENSES	3,000.00
7120	EMPLOYEE BENEFITS	8,066.69
7125	AETNA 403B PENSION PLAN	450.00
7130	ACCOUNTING FEES	855.00
7140	LEGAL FEES	7,937.60
7150	OUTSIDE PROFESSIONAL SERVICES	6,184.19
7160	CONTRIBUTORS -WER	14,919.00
7170	CONTRIBUTORS - MWEC	7,549.40
7180	CASUAL LABOR	2,868.00
7200	PAYROLL TAXES	35,772.11
7250	OTHER TAXES	1,402.47
7260	FEES, LICENSES & PERMITS	230.00
7300	RENT	29,703.00
7310	OCCUPANCY/JANITORIAL	378.59
7325	LEASEHOLD IMPROVEMENT	3,746.98
7350	UTILITIES	1,255.67
7375	UTILITIES	0.00
7400	TELEPHONE	5,342.61
7450	POSTAGE/SHIPPING	22,166.31
7500	FINANCE/INTEREST CHARGES	962.71
7520	BANK/SERVICE CHARGES	2,383.39
7550	SUPPLIES	19,067.53
7570	LIBRARY	6,174.62
7575	BOOKSTORE PURCHASES	1,176.65
7580	FURN/FIXT/EQUIP/UNDER $300	2,157.57
7600	EQUIPMENT RENTAL/MAINTENANCE	3,832.64
7650	DEPRECIATION & AMORTIZATION	0.00
7700	INSURANCE	4,359.92
7800	TRAVEL	22,219.25
7850	CONFERENCES, SEMINARS	980.00
7860	MEALS	11,083.54
7865	ENTERTAINMENT/PROMO	4,543.61
7870	VISA * NEEDS EXPENSING	0.00
7900	PRINTING	37,247.59
7905	COST OF SALES	11,412.18
7910	FULFILLMENT	14,508.53
7930	ADVERTISING & PROMOTIONS	19,663.03
7960	CIRCULATION	3,985.85
7965	SUBSCRIPTION REFUNDS	178.14
7966	BOOKSTORE REFUNDS	400.40
9999	Income Transfer Account	440,992.65-
TOTAL		0.00

POINT FOUNDATION
Standard Balance Sheet
June 30, 1994

ASSETS:	
1000 WESTAMERICA 506-60241-6	15,511.01-
1010 WESTAMERICA 506-33019-0	127,557.84
1015 WELLS FARGO	5,868.32
1020 NATIONAL WESTMINSTER BANK	40,468.79
1030 WORKING ASSETS	10,906.07
1100 PETTY CASH	0.00
1200 GRANTS FUND	0.00
1300 MAIN POSTAL ACCOUNT	0.00
1400 ISAL POSTAL ACCOUNT	280.22
1500 FULCO POSTAL ACCOUNT	2,066.80
1700 A/R - EMPLOYEES	4,674.91-
1750 A/R - ALTERNATIVE DISTRIBUTORS	148,356.87
1760 A/D - LOSS RESERVE	9,000.00-
1770 A/R - LIST SALES	5,204.39
1780 A/R - LOANS TO STAFF	1,437.06
1790 A/R - MISCELLANEOUS	2,177.22
2000 INVENTORY - WER	1,575.00
2010 INVENTORY - BOOKSTORE	9,021.24
2020 RESERVE FOR OBSOLESCENCE	0.00
2030 LEASEHOLD IMPROVEMENT	8,469.65
2040 FURNITURE FIXTURES EQUIPMENT	212,344.81
2060 ACCUMULATED DEPRECIATION	94,702.92-
3000 INVESTMENTS	30,000.10
3010 LOSS RESERVE	0.00
3015 DEPOSITS	1,415.00
3020 PREPAID TAXES	0.00
3030 PREPAID EXPENSE	1,006.25
3040 SUSPENSE	0.00
3041 SUSPENSE #2	0.00
Total Assets	484,266.79
LIABILITIES:	
4000 A/P - OPERATIONS	2,105.86
4100 SALES TAX PAYABLE	61.99
4150 OTHER TAXES PAYABLE	200.52
4200 WER SUBSCRIPTONS LIABILITY	545,676.01
4300 1992/93 O/S CKS	3,374.54
4400 A/P BROCK MEEKS DEFENSE FUND	3,218.00
4600 GRANTS PAYABLE	0.00
Total Liabilities	554,636.92
EQUITY:	
5000 FUND SURPLUS BEGINNING OF YEAR	70,370.13-
9998 History Balancing Account	0.00
Total Equity	70,370.13-
Total Liabilities & Equity	484,266.79

POINT FOUNDATION
Standard Income Statement
For the 6 Periods Ending June 30, 1994

	YTD Actual Jan 31, 94	YTD Actual Feb 28, 94	YTD Actual Mar 31, 94	YTD Actual Apr 30, 94
INCOME:				
6000 WER SALES	38,675.89	43,583.53	46,631.83	111,898.10
6010 SUBSCRIPTION REFUNDS	0.00	0.00	0.00	0.00
6020 BACK ISSUES SALES	104.53	652.53	792.04	842.04
6030 DISTRUBUTORS SALES	0.00	0.00	0.00	0.00
6040 DISTRIBUTORS RETURNS	0.00	0.00	0.00	0.00
6050 MWEC SALES	1,365.00	1,945.00	2,790.00	2,790.00
6060 LIST SALES	0.00	0.00	6,103.96	6,103.96
6070 UNCLASSIFIEDS SALES	395.00	571.00	937.00	937.00
6080 BOOKSTORE SALES	1,106.39	1,177.39	1,455.45	1,556.40
6100 ROYALTIES	0.00	0.00	1,261.84	1,733.52
6200 PRODUCTION INCOME	0.00	0.00	0.00	0.00
6300 CONTRIBUTIONS - WER	249.00	290.00	1,325.00	1,325.00
6350 CONTRIBUTIONS - MWEC	985.00	995.00	95.00	95.00
6400 INTEREST/DIVIDEND INCOME	1,281.38	2,211.33	3,077.90	3,714.62
6500 OTHER SALES	0.00	0.00	0.00	0.00
6595 DISCOUNT CONTROL ACCOUNT	0.00	0.00	0.00	0.00
6700 GRANTS INCOME	0.00	0.00	0.00	0.00
Total Income	44,162.19	51,425.78	64,470.02	130,995.64
EXPENSES:				
7000 GRANTS EXPENSE	0.00	250.00	250.00	1,900.00
7100 WAGES - EXECUTIVE	3,750.00	7,500.00	11,250.00	15,000.00
7110 WAGES & SALARIES	61,436.11	113,659.37	166,632.24	218,010.65
7115 OTHER PAY	1,218.30	1,218.30	1,270.30	1,270.30
7116 LOANS TO STAFF	0.00	0.00	0.00	1,003.50
7117 REIMB JRS MOVING EXPENSES	1,000.00	1,500.00	2,000.00	2,500.00
7120 EMPLOYEE BENEFITS	9.67	1,768.15	4,501.42	5,196.78
7125 AETNA 403B PENSION PLAN	50.00	150.00	250.00	450.00
7130 ACCOUNTING FEES	0.00	0.00	0.00	855.00
7140 LEGAL FEES	0.00	2,737.60	2,937.60	2,937.60
7150 OUTSIDE PROFESSIONAL SERVICES	119.00	1,105.50	2,065.50	5,797.94
7160 CONTRIBUTORS -WER	0.00	6,491.00	7,016.00	7,246.00
7170 CONTRIBUTORS - MWEC	2,778.00	2,778.00	3,278.00	6,478.00
7180 CASUAL LABOR	955.00	1,968.00	2,768.00	2,768.00
7200 PAYROLL TAXES	8,267.44	15,615.05	21,283.30	26,042.84
7250 OTHER TAXES	170.04	170.04	402.47	402.47
7260 FEES, LICENSES & PERMITS	0.00	0.00	0.00	0.00
7300 RENT	780.00	4,223.15	10,763.13	23,623.25
7310 OCCUPANCY/JANITORIAL	0.00	70.00	70.00	70.00

POINT FOUNDATION
Standard Income Statement
For the 6 Periods Ending June 30, 1994

#	YTD Actual Jan 31, 94	YTD Actual Feb 28, 94	YTD Actual Mar 31, 94	YTD Actual Apr 30, 94
7325 LEASEHOLD IMPROVEMENT	0.00	3,370.87	3,370.87	3,746.98
7350 UTILITIES	1,327.98-	1,131.18-	76.07-	729.07
7375 UTILITIES	0.00	0.00	0.00	0.00
7400 TELEPHONE	61.31	1,158.77	2,417.43	4,196.51
7450 POSTAGE/SHIPPING	962.50	1,863.86	3,508.92	16,535.60
7500 FINANCE/INTEREST CHARGES	0.00	27.10	121.78	652.06
7520 BANK/SERVICE CHARGES	302.12	1,093.27	1,376.67	1,818.08
7550 SUPPLIES	427.99	4,580.45	7,885.35	13,839.88
7570 LIBRARY	857.77-	117.44-	3,085.05	4,427.42
7575 BOOKSTORE PURCHASES	0.00	1,176.65	1,176.65	1,176.65
7580 FURN/FIXT/EQUIP/UNDER $300	0.00	0.00	1,912.79	1,912.79
7600 EQUIPMENT RENTAL/MAINTENANCE	557.30	1,803.43	2,914.90	3,315.20
7650 DEPRECIATION & AMORTIZATION	0.00	0.00	0.00	0.00
7700 INSURANCE	219.40-	458.93	458.93	4,359.92
7800 TRAVEL	3,999.00	5,349.17	5,379.92	12,501.42
7850 CONFERENCES, SEMINARS	0.00	280.00	980.00	980.00
7860 MEALS	188.01	3,244.91	6,136.66	7,032.03
7865 ENTERTAINMENT/PROMO	1,166.17	1,166.17	2,416.17	3,046.33
7870 VISA * NEEDS EXPENSING	0.00	0.00	0.00	0.00
7900 PRINTING	0.00	1,145.32	3,218.46	36,858.30
7905 COST OF SALES	0.00	0.00	0.00	0.00
7910 FULFILLMENT	0.00	2,896.17	5,304.72	8,340.41
7930 ADVERTISING & PROMOTIONS	60.00	261.33	5,036.58	14,780.10
7960 CIRCULATION	26.84	26.84	26.84	3,847.98
7965 SUBSCRIPTION REFUNDS	0.00	20.00	20.00	27.00
7966 BOOKSTORE REFUNDS	106.50	245.45	311.45	400.40
Total Expenses	85,986.15	190,124.23	293,722.03	466,076.46
NET INCOME (LOSS)	41,823.96-	138,698.45-	229,252.01-	335,080.82-

POINT FOUNDATION
Standard Income Statement
For the 6 Periods Ending June 30, 1994

YTD Actual May 31, 94	YTD Actual Jun 30, 94
128,097.86	158,320.32
274.85-	307.85-
1,205.50	3,721.50
0.00	0.00
0.00	25,578.07-
2,790.00	2,790.00
6,103.96	6,103.96
1,372.00	1,492.00
1,797.75	1,797.75
1,733.52	1,733.52
63,750.00	63,750.00
2,825.00	2,825.00
655.00	1,746.66-
4,264.38	4,662.10
303.64	303.64
16.88-	16.88-
0.00	0.00
214,606.88	219,850.33
2,000.00	2,000.00
18,750.00	22,500.00
270,035.53	314,754.41
1,270.30	2,270.30
1,003.50	1,153.50
3,000.00	3,000.00
7,431.89	8,066.69
450.00	450.00
855.00	855.00
2,937.60	7,937.60
6,184.19	6,184.19
7,246.00	14,919.00
6,478.00	7,549.40
2,768.00	2,868.00
31,645.91	35,772.11
1,402.47	1,402.47
230.00	230.00
29,703.00	29,703.00
378.59	378.59

POINT FOUNDATION
Standard Income Statement
For the 6 Periods Ending June 30, 1994

YTD Actual May 31, 94	YTD Actual Jun 30, 94
3,746.98	3,746.98
1,255.67	1,255.67
0.00	0.00
5,342.61	5,342.61
18,989.69	22,166.31
785.86	962.71
2,100.88	2,383.39
16,719.66	19,067.53
6,174.62	6,174.62
1,176.65	1,176.65
2,157.57	2,157.57
3,382.64	3,832.64
0.00	0.00
4,359.92	4,359.92
19,608.25	22,219.25
980.00	980.00
10,638.44	11,083.54
4,468.61	4,543.61
0.00	0.00
36,858.30	37,247.59
11,412.18	11,412.18
12,108.53	14,508.53
19,663.03	19,663.03
3,985.85	3,985.85
178.14	178.14
400.40	400.40
580,264.46	660,842.98
365,657.58-	440,992.65-

POINT FOUNDATION
Standard Balance Sheet
January 31, 1994

ASSETS:	
1000 WESTAMERICA 506-60241-6	54,309.25
1010 WESTAMERICA 506-33019-0	526,391.87
1015 WELLS FARGO	4,411.90
1020 NATIONAL WESTMINSTER BANK	300.00
1030 WORKING ASSETS	10,790.83
1100 PETTY CASH	1,612.70
1200 GRANTS FUND	0.00
1300 MAIN POSTAL ACCOUNT	0.00
1400 ISAL POSTAL ACCOUNT	280.22
1500 FULCO POSTAL ACCOUNT	0.00
1700 A/R - EMPLOYEES	750.21-
1750 A/R - ALTERNATIVE DISTRIBUTORS	164,448.42
1760 A/D - LOSS RESERVE	9,000.00-
1770 A/R - LIST SALES	7,029.92
1780 A/R - LOANS TO STAFF	2,685.47
1790 A/R - MISCELLANEOUS	3,140.92
2000 INVENTORY - WER	1,575.00
2010 INVENTORY - BOOKSTORE	8,882.54
2020 RESERVE FOR OBSOLESCENCE	0.00
2030 LEASEHOLD IMPROVEMENT	0.00
2040 FURNITURE FIXTURES EQUIPMENT	165,101.85
2060 ACCUMULATED DEPRECIATION	94,702.92-
3000 INVESTMENTS	30,000.10
3010 LOSS RESERVE	0.00
3015 DEPOSITS	415.00
3020 PREPAID TAXES	0.00
3030 PREPAID EXPENSE	1,006.25
3040 SUSPENSE	36,302.78
3041 SUSPENSE #2	0.00
Total Assets	914,231.89
LIABILITIES:	
4000 A/P - OPERATIONS	0.00
4100 SALES TAX PAYABLE	0.00
4150 OTHER TAXES PAYABLE	0.00
4200 WER SUBSCRIPTONS LIABILITY	545,676.01
4300 1992/93 O/S CKS	3,454.54
4400 A/P BROCK MEEKS DEFENSE FUND	0.00
4600 GRANTS PAYABLE	0.00
Total Liabilities	549,130.55
EQUITY:	
5000 FUND SURPLUS BEGINNING OF YEAR	365,101.34
9998 History Balancing Account	0.00
Total Equity	365,101.34
Total Liabilities & Equity	914,231.89

POINT FOUNDATION
Standard Balance Sheet
June 30, 1994

	Actual Total	Actual Jan 31, 94	Actual Feb 28, 94	Actual Mar 31, 94	Actual Apr 30, 94
ASSETS:					
1000 WESTAMERICA	98,624.36-	28,804.10-	66,331.79-	15,283.78	1,770.92
1010 WESTAMERICA	497,637.96-	98,803.93-	49,118.50-	109,188.04-	104,398.25-
1015 WELLS FARGO	1,199.04-	2,655.46-	3,674.68-	60.17	32.00-
1020 NATIONAL WESTMINSTER	40,468.79	300.00	15.22-	73.32-	4,740.12
1030 WORKING ASSETS	133.98	18.74	18.12	22.72	20.11
1100 PETTY CASH	0.00	1,612.70	860.24-	350.00	1,102.46-
1200 GRANTS FUND	0.00	0.00	0.00	0.00	0.00
1300 MAIN POSTAL ACCOUNT	0.00	0.00	0.00	500.00	0.00
1400 ISAL POSTAL ACCOUNT	0.00	0.00	0.00	0.00	0.00
1500 FULCO POSTAL ACCOUNT	2,066.80	0.00	75.00	2,000.00	26.15-
1700 A/R - EMPLOYEES	4,674.91-	750.21-	1,001.63-	947.60-	987.36-
1750 A/R - ALTERNATIVE	22,849.10-	6,757.55-	11,245.61-	3,740.77-	47,749.55
1760 A/D - LOSS RESERVE	0.00	0.00	0.00	0.00	0.00
1770 A/R - LIST SALES	1,825.53-	0.00	0.00	0.00	0.00
1780 A/R - LOANS TO STAFF	1,437.06	2,685.47	1,065.59	496.50	2,007.00-
1790 A/R - MISCELLANEOUS	963.70-	0.00	850.43-	0.00	0.00
2000 INVENTORY - WER	0.00	0.00	0.00	0.00	0.00
2010 INVENTORY - BOOKSTORE	9,021.24	8,882.54	0.00	138.70	0.00
2020 RESERVE FOR	0.00	0.00	0.00	0.00	0.00
2030 LEASEHOLD IMPROVEMENT	8,469.65	0.00	0.00	0.00	969.65
2040 FURNITURE FIXTURES	70,778.54	23,535.58	34,984.90	4,544.30	7,713.76
2060 ACCUMULATED	0.00	0.00	0.00	0.00	0.00
3000 INVESTMENTS	0.00	0.00	0.00	0.00	0.00
3010 LOSS RESERVE	0.00	0.00	0.00	0.00	0.00
3015 DEPOSITS	1,000.00	0.00	0.00	0.00	0.00
3020 PREPAID TAXES	0.00	0.00	0.00	0.00	0.00
3030 PREPAID EXPENSE	0.00	0.00	0.00	0.00	0.00
3040 SUSPENSE	0.00	36,302.78	0.00	0.00	0.00
3041 SUSPENSE #2	36,302.78-	36,302.78-	0.00	0.00	0.00
Total Assets	530,701.32-	100,736.22-	96,954.49-	90,553.56-	45,589.11-
LIABILITIES:					
4000 A/P - OPERATIONS	67,227.61-	69,333.47-	0.00	0.00	60,239.70
4100 SALES TAX PAYABLE	276.01-	338.00-	0.00	0.00	0.00
4150 OTHER TAXES PAYABLE	200.52	0.00	0.00	0.00	0.00
4200 WER SUBSCRIPTONS	44,598.11	44,598.11	0.00	0.00	0.00
4300 1992/93 O/S CKS	3,374.54	3,454.54	80.00-	0.00	0.00
4400 A/P BROCK MEEKS	3,218.00	0.00	0.00	0.00	0.00
4600 GRANTS PAYABLE	0.00	0.00	0.00	0.00	0.00
Total Liabilities	16,112.45-	21,618.82-	80.00-	0.00	60,239.70
EQUITY:					
5000 FUND SURPLUS	514,588.87-	79,117.40-	96,874.49-	90,553.56-	105,828.81-
9998 History Balancing	0.00	0.00	0.00	0.00	0.00
Total Equity	514,588.87-	79,117.40-	96,874.49-	90,553.56-	105,828.81-

POINT FOUNDATION
Standard Balance Sheet
June 30, 1994

	Actual Total	Actual Jan 31, 94	Actual Feb 28, 94	Actual Mar 31, 94	Actual Apr 30, 94
Total Liabilities & Equity		100,736.22-	96,954.49-	90,553.56-	45,589.11-

POINT FOUNDATION
Standard Balance Sheet
June 30, 1994

Actual May 31, 94	Actual Jun 30, 94
20,585.52-	42.35
64,498.22-	71,631.02-
301.43	4,801.50
11,028.74	24,488.47
25.55	28.74
0.00	0.00
0.00	0.00
0.00	500.00-
0.00	0.00
0.00	17.95
988.11-	0.00
11,212.17-	37,642.55-
0.00	0.00
1,825.53-	0.00
803.50-	0.00
113.27-	0.00
0.00	0.00
0.00	0.00
0.00	0.00
0.00	7,500.00
0.00	0.00
0.00	0.00
0.00	0.00
0.00	0.00
1,000.00	0.00
0.00	0.00
0.00	0.00
0.00	36,302.78-
0.00	0.00
87,670.60-	109,197.34-
58,583.84-	450.00
0.00	61.99
0.00	200.52
0.00	0.00
0.00	0.00
1,490.00	1,728.00
0.00	0.00
57,093.84-	2,440.51
30,576.76-	111,637.85-
0.00	0.00
30,576.76-	111,637.85-

POINT FOUNDATION
Standard Balance Sheet
June 30, 1994

Actual May 31, 94	Actual Jun 30, 94
87,670.60-	109,197.34-